

MARKET BULLETIN

From	Director, Worldwide Markets (extn 6677)
Date	16 November 2005
Reference	Y3675
Subject	Louisiana: Hurricanes Katrina and Rita. Amendments to Emergency Rules issued by the Louisiana Department of Insurance
Subject areas	Emergency Rule 15: (Hurricane Katrina) all types of insurance Emergency Rule 17: (Hurricane Katrina) health insurance Emergency Rule 19: (Hurricane Rita) all types of insurance Emergency Rule 20: (Hurricane Rita) health insurance These rules apply to insurance in Louisiana (not including reinsurance)
Attachments	Summary of the amendments to the Emergency Rules
Action points	Managing agents and Lloyd's brokers to note and comply with the provisions of the Emergency Rules
Deadlines	These requirements apply immediately

Purpose of bulletin

The purpose of this bulletin is to inform the market of amendments to Louisiana Department of Insurance Emergency Rules 15, 17, 19, and 20. The amendments provide termination dates for many of the sections of the Emergency Rules.

The original Emergency Rules 15 and 17 were discussed in and attached to Lloyd's Market Bulletin Y3633, issued 21 September, 2005 and the original Emergency Rules 19 and 20 were discussed in and attached to Lloyd's Market Bulletin Y3659, issued 2 November, 2005.

Amendments to Emergency Rules 15, 17, 19 and 20

[The Emergency Rule amendments can be found via this link.](#) (scroll down the page to the section headed “important notices”). The amendments to Emergency Rules 15, 17, 19 and 20 were issued by the Louisiana Department of Insurance on 4 November, 2005.

We recommend that any Lloyd’s underwriter or Lloyd’s broker involved in the transaction of business from Louisiana familiarises themselves fully with the provisions of the Emergency Rules. Any violations of their provisions may be subject to prosecution by the Louisiana Insurance Commissioner.

A summary of the amendments is attached.

Further information

If you have any queries about this market bulletin, please contact Lloyd’s Worldwide Market Services:

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This market bulletin has been sent to active underwriters and to the compliance officers of managing agents and Lloyd’s brokers.

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Louisiana Amended Emergency Rules 15, 17, 19 and 20 – a summary

This summary is provided as a guide only. Underwriters and brokers affected by these provisions should read the full text of the amended Rules.

Emergency Rule 15 - Amended

Emergency Rule 15 suspended certain statutes and regulations regarding cancellations, non-renewals premium payments and related matters following Hurricane Katrina. It applies to all types of insurance other than reinsurance.

Termination: Emergency Rule 15 will terminate as follows:

- For all types of health insurance – at midnight on November 30, 2005.
- For all other types of insurance:
 - If the insured resided in the following parishes on August 26, 2005: Jefferson, Tangipahoa and Washington, or in any of the “secondary parishes¹” – at midnight on November 30, 2005.
 - If the insured is entitled to the protection of Emergency Rule 15 because their primary place of employment was in one of the “primary parishes²” – at midnight on November 30, 2005.
 - If the insured resided in the following parishes on August 26, 2005: Orleans, Plaquemines, St. Bernard and St. Tammany – at midnight on December 31, 2005.

Click here for links to zip code lists for Emergency Rule 15’s ["primary parishes"](#) and ["secondary parishes"](#) on the Louisiana Department of Insurance website.

Other provisions: Section 2741 of the new Rule restates section 15.8 of Emergency Rule 15, with amendments. Essentially therefore, and notwithstanding Emergency Rule 15’s termination, its section 15.8 continues in an amended form, until January 1, 2006, for all types of insurance, for the insureds specified in section 15.1 of Emergency Rule 15. This means that:

- Non-renewal and non-reinstatement of all types of insurance in effect at 12:01 am on August 26, 2005 remain suspended and deferred until January 1, 2006 *for those insureds who are current with their premium payments*. However, cancellation is possible prior to January 1, 2006 in accordance with section

¹ Under Emergency Rule 15, the secondary parishes are: Lafourche, Livingston, St Charles, St James, St John the Baptist, St Mary Terrebonne

² Under Emergency Rule 15, the primary parishes are Jefferson, Orleans, Plaquemines, St Bernard, St Tammany, Tangipahoa and Washington.

15.13 of Emergency Rule 15 – i.e. upon the documented written request or concurrence of the insured.

- Rate increases applicable to all types of insurance in effect at 12:01 am on August 26, 2005 remain deferred until January 1, 2006. Such insurances continue in force until January 1, 2006, at the previously established premium *for those insureds who are current with their premium payments.*

Emergency Rule 17 - Amended

Emergency Rule 17 suspended certain statutes and regulations following Hurricane Katrina. It applies only to health insurance.

- For the most part it terminates from midnight on November 30, 2005.
- Certain specified sections do not terminate and remain in effect until the Emergency Rule expires 120 days from the date of adoption, unless otherwise extended by the Commissioner.

Emergency Rule 19 – Amended

Emergency Rule 19 suspended certain statutes and regulations regarding cancellations, non-renewals premium payments and related matters following Hurricane Rita. It applies to all types of insurance other than reinsurance.

Termination: Emergency Rule 19 will terminate as follows:

- For all types of health insurance – at midnight on November 30, 2005.
- For all other types of insurance:
 - If the insured is entitled to the protection of Emergency Rule 19 under its Section 3501.A.2 - because their primary place of employment was in one of the three “primary parishes³” – at midnight on November 30, 2005.
 - If the insured resided in one of the nine “secondary parishes⁴” as of September 20, 2005 – at midnight on November 30, 2005.
 - If the insured resided in one of the primary parishes as of September 20, 2005 - at midnight on December 31, 2005

Click here for links to zip code lists for Emergency Rule 19's ["primary parishes"](#) and ["secondary parishes"](#) on the Louisiana Department of Insurance website.

³ Under Emergency Rule 19, the primary parishes are Calcasieu, Cameron and Vermilion

⁴ Under Emergency Rule 19, the secondary parishes are Acadia, Allen, Beauregard, Iberia, Jefferson Davis, Lafayette, Lafourche, St Mary and Terrebonne.

Other provisions: Similar to the amendment to Emergency Rule 15, Section 3541 of the new Rule restates sections 3505.E and 3505.F of Emergency Rule 19, with amendments. Essentially therefore, and notwithstanding Emergency Rule 19's termination, its sections 3505.E and 3505.F continue in amended form, until January 1, 2006, for all types of insurance, for the insureds specified in Emergency Rule 19's section 3501. This means that:

- Non-renewal and non-reinstatement of all types of insurance in effect at 12:01 am on September 20, 2005 remain suspended and deferred until January 1, 2006 *for those insureds who are current with their premium payments*. However, cancellation is possible prior to January 1, 2006 in accordance with section 3515 of Emergency Rule 15 – i.e. upon the documented written request or concurrence of the insured.
- Rate increases applicable to all types of insurance in effect at 12:01 am on September 20, 2005 remain deferred until January 1, 2006. Such insurances continue in force until January 1, 2006, at the previously established premium *for those insureds who are current with their premium payments*.

Emergency Rule 20 - Amended

Emergency Rule 20 suspended certain statutes and regulations following Hurricane Rita. It applies only to health insurance.

- For the most part it terminates from midnight on November 30, 2005.
- Certain specified sections do not terminate and remain in effect until the Emergency Rule expires 120 days from the date of adoption, unless otherwise extended by the Commissioner